

[24 April, 2001]

RAJYA SABHA

(c) what steps Government propose to take to speed up the disposal of cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) 22 Debts Recovery Tribunals (DRTs) have been set up so far in the country.

(b) As reported by DRTs, as on 31.12.2000, 43244 cases were filed/transferred to these DRTs out of which 13092 cases were disposed off by them.

(c) to (c) The rate of disposal of cases is not upto the desired level on account of certain Court cases filed in various High Courts including the one filed in the Delhi High Court in which the High Court had declared the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (DRT Act) as unconstitutional and void. DRTs are at present working under a stay order granted by the Supreme Court against the order of the Delhi High Court. Government has taken various steps to speed up the disposal of cases such as amending the DRT Act to make it more effective, raising the number of posts per DRT from 18 to 30, increasing the area of office accommodation from 3000 sq. ft to 5000 sq. ft and by delegating additional administrative and financial powers to Presiding officers of DRTs. Presiding Officers are empowered to recruit staff up to the level of Section Officer. Recently, DRTs have been made entitled to office and residential accommodation from general pool maintained by the Central Government at various places.

Salaries of employees of Regional Rural Banks

4190. SHRI V.V. RAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Supreme Court had taken a decision on the Special Leave Petition (SLP) filed by the Central Government on the issue of extending the wages rates applicable to the employees of the Commercial Bank to the employees of the Regional Rural Banks; and

(b) if so, what is the decision and the steps taken to implement the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) The Hon'ble Supreme Court has given judgement regarding pay scales of Officers and employees of Regional Rural Banks (RRBs) in C.A. No. 2218/99 and 2219/99 filed by South Malabar Gramin Bank and Central Government respectively. The Hon'ble Supreme Court directed that the salary of the employees of RRBs be determined according to the proposal of Union of India in its Interlocutory Application *i.e.* the employees of the RRBs will be granted the new scales *w.e.f.* 01.04.2000 in line with scales granted to Commercial Banks employees of equivalent level. The Hon'ble Supreme Court has further directed that the Union Government shall decide the question as to what would be the salary of the employees of the RRBs subsequent to the 6th Bipartite Settlement having been given effect to, in case of employees of the Commercial Banks and with effect from what date and the benefit flowing from such decision be given to the RRB employees.

(b) Necessary instruction in compliance with the Hon'ble Supreme Court directions has been issued on 11th April 2001 in consultation with Ministry of Law.

Effect of developments in Financial Market on banking system

4191. SHRIMATI AMBIKA SONI:

SHRI SANTOSH BAGRODIA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Reserve Bank of India have asked banks to maintain an arms length relationship with their subsidiaries to avoid the spill over of adverse developments in the financial market into the banking system; and

(b) what steps banks have taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Reserve Bank of India (RBI) has issued instructions to the banks to maintain "arms length" relationship with their subsidiaries.